

## CORRECTED FISCAL NOTE

### HB 1409 - SB 1687

April 4, 2001

#### SUMMARY OF BILL:

- Authorizes the Commissioner of Safety to establish a procedure to accept electronically any and all remittances, titling and registration transactions.
- Removes references to index cards with regards to maintaining title and registration records.
- Provides for issuance of a temporary operation permit for a period of 30 days at a fee of \$5 with renewal for an additional 30 days for an additional \$5 fee. Current law provides for such temporary permits to be issued for a period not to exceed 7 days with varying fees depending on the type of vehicle but ranging from \$5 to \$30.
- Provides for temporary license plates to be issued for a period of 30 days for a fee of \$5 with renewal for an additional 30 days for an additional \$5 fee. Current law provides for such plates to be issued for a period of 7 days for \$1 or 14 days for \$2 and renewable for one additional period.
- Removes the notarization requirement for verification of membership in the Fraternal Order of Police or the Police Benevolent Association to be eligible for a specialty license plate.

#### ESTIMATED FISCAL IMPACT:

On February 28, 2001 we issued a fiscal note on this bill indicating a fiscal impact of *increased state revenues exceeding \$2,000,000; a not significant decrease in state expenditures and a decrease in local government expenditures exceeding \$100,000.*

Based on additional information provided to us by the Department of Safety, the estimated fiscal impact of this bill is:

**Increase State Revenues - Exceeds \$2,000,000/Highway Fund**

**Less than \$50,000/General Fund**

**Decrease State Expenditures - Not Significant**

**Decrease Local Govt. Expenditures - Exceeds \$100,000**

Estimate assumes:

- local governments will experience a decrease in expenditures exceeding \$100,000 from mailing costs associated with sending information to the Department of Safety that can be submitted electronically under the provisions of the bill.
- temporary operation permits with fees exceeding \$5 have not been issued for several years. The section of the bill concerning these permits is housekeeping in nature.
- approximately 1,250,000 temporary plates issued annually at \$2 each under current law for total revenues of \$2,500,000. Of these, approximately 25% are renewals.
- a 25% reduction in the number of temporary plates issued by extending the issuance period resulting in approximately 937,500 plates being issued under the provisions of the bill.
- an increase in state revenues exceeding \$2,000,000 from the higher fee for temporary plates. In accordance with T.C.A. 55-6-107 revenues from this fee are distributed 98% to the Highway Fund and 2% to the General Fund.
- a not significant decrease in state expenditures from the decreased cost associated with producing fewer temporary license plates.

#### CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



**HB 1409 - SB 1687 (CORRECTED)**

James A. Davenport, Executive Director